

CITY OF MORGAN HILL
SPECIAL CITY COUNCIL MEETING
MINUTES - MARCH 2, 2001

CALL TO ORDER

Mayor Kennedy called the special meeting to order at 12:00 p.m.

ROLL CALL ATTENDANCE

Present: Council Members Carr, Chang, Sellers, and Mayor Kennedy
Absent: Council Member Tate

DECLARATION OF POSTING OF AGENDA

This meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2. on Monday, February 26, 2001 at 5:15 p.m.

1. DISCUSSION OF LEGISLATIVE BILLS/ISSUES OF CONCERNS.

Items discussed:

- Calpine: State Assembly and Santa Clara County voting unanimously to support
- Federal Flood Control: Santa Clara Valley Water District Core of engineers working on it
Can we assist with RDA funds?
- State subventions-held up again, need Assemblyman Salinas' help to release state subvention
- State Budget surplus exists: Assemblyman Salinas believes that they would give back to counties
- Assemblyman Salinas sits on the following committees: Health, Agriculture, Education, Local government, Housing, Insurance
- State Assembly and Assemblyman Salinas' involvement: 18 million dollars to repair damage from truck ramming capital building. Therefore, the State surplus has decreased dramatically. He advises that we prepare for summer energy crisis. Conservation measures have been discussed, however agriculture needs special help in order to survive. Same with the high tech industry where small shutdowns result in millions of dollars worth of problems. There have been 1,600 Assembly Bills recently introduced and 2,000 bills on the senate side. Unfortunately, this results in voting without full knowledge of these bills. The energy issue is waiting on Governor Davis while he negotiates with power companies. He will eventually bring the issue back to the Assembly and the Senate to see if the Regulatory Agency will approve.
- The bills Assemblyman Salinas has introduced are:
 - 1) Meet the teachers on Sunday -which he hopes will bring parental participation back to school.
Council Member Sellers suggests he talk to the Morgan Hill Unified School District.
Council Member Chang questions whether we would get the unions to buy in? With this optional program she suggests the State come up with stipend funding, and also recommends a community participation day.
 - 2) Amtrak Connector Project: this would create an exemption from purchasing tickets for riding Amtrak because the Greyhound bus is not ADA capable. (Currently, in order to ride Greyhound, you must first buy a ticket through Amtrak). The issue becomes who would

pay?

3) Assemblyman Salinas is proposing an Office of Rural Policy at the Capitol

4) Assemblyman Salinas is concerned about children's mental health and is working on a competitive grant who would fill the gap for the group of children where parents make too much to qualify for Medicare, but still can't afford insurance

5) California First- will assist California students in purchasing California grown produce. This would help local schools with funding

6) Public Municipal Housing Program-Municipal employees can't afford to live in the area which effects ability to recruit good employees. Assemblyman Salinas suggests incentives such as help with down payments, low interest loans.

City Manager Tewes asked if RDA funds could be used for this effort in a more creative way?

Council Member Chang felt that this would greatly help school teachers and public employees. She indicated that she has heard that Assemblyman Salinas sits on the education committee and that he would research this issue.

Council Member Sellers would like to include police officers

Assemblyman Salinas will introduce the "Downtown Rebound Program" which will authorize \$22 million for housing, such as seismic retrofitting and creating housing with state money for a smart growth concept.

Mayor Kennedy explained to Assemblyman Salinas that the city held a housing summit and that the city is looking to add denser housing units in the downtown.

Council Member Sellers: Other Cities are looking at our successful downtown to implement their RDA programs.

Assemblyman Salinas is concerned other areas such as Los Angeles will take majority of funds, there is a need to work with local jurisdictions in order to provide affordable housing. Mayor Kennedy indicated that it was suggested to Senator McPherson that additional housing be built to increase the amount of property tax revenue that the City receives. Focus on retail sales tax revenue to survive.

Assemblyman Salinas said that he would like to shift ERAF funds back to local cities.

City Manager Tewes felt that a proper balance of housing and jobs needs to be provided. He expressed concern regarding imposition of penalties to cities for not meeting housing criteria

Council Member Carr: ABAG does not approve local control; Seasac swaps property and tax revenue. Put value in residences; people do not know taxes don't pay for local services.

Mayor Kennedy: Morgan Hill is one of the faster growing cities in the county, noting that the City's general plan is in compliance. He also states that we have a great affordable housing program,

7) Mobile home park: Bring suits against park owners who violate safety of its residents.

Council Member Sellers: discussed mobile home rent control, noting that park owners are arguing that they do not receive enough money due to rent control.

Mayor Kennedy inquired who can bring about a law suit? Assemblyman Salinas advised that the District Attorney has the authority to sue the park owners. The assembly can research logistics.

8) Vocational education grant program at high schools, ROP programs with Gilroy and Morgan Hill

Council Member Carr explained that there are strong programs in local school district, secondary high school may center in these programs

Assemblyman Salinas stated that he has been notified that classes have been closing and that

we need to expand AB1659

Miscellaneous Discussion:

Council Member Chang brought up the issue of hospital closures and asked if the State can help.

Council Member Sellers explained that Council voted not to rezone a medically zoned property, and explained the City's overall health care situation. He noted that Catholic Healthcare West is in trouble and could eliminate service. It is felt that the community needs help to reestablish services at state level. Assemblyman Salinas indicated that he would discuss this at the State level.

Council Member Sellers brought up the energy crisis. Assemblyman Salinas explained that the Assembly voted 70-0 to support Calpine. Mayor Springer of Gilroy recently offered land for the joint South County Wastewater facility. He recommended that the legislators keep an open mind that there are alternative sites.

Assemblyman Salinas stated that if it were not for the crisis, he would not have opposed local government decisions.

Mayor Kennedy expressed concern that there is not enough time to address alternative sites. He did not believe that the proposed Metcalf-Calpine plant would help with the crisis, and by the time Calpine is on line there will be 6 other plants up and running.

Council Member Chang stated that there are too many jobs and not enough housing, we're not prepared for growth

Council Member Carr did not believe that there was enough local control and that there needs to be a better balance.

Mayor Kennedy requested that Assemblyman Salinas ask for support for quarterly inter regional Mayors' meetings, including Santa Clara, San Benito, Santa Cruz, and Monterey Counties. Currently, this is an unstructured meeting and they are requesting \$250,000 from the State. Nick Papadakis will staff, and ask for funding. This group will work to open a dialog about regional issues

Assemblyman Salinas inquired as to the City's feelings about Cisco

Mayor Kennedy stated that he is not opposed to Cisco and that he wants to work with Cisco and San Jose to make it a workable solution.

Council Member Sellers expressed concern that Morgan Hill residents are so close to the plant and that there will be an impact on housing. However, if the City opposes it, it could be a problem as we need support from them.

Council Member Chang inquired when the Council would discuss Cisco?

Mayor Kennedy recommended that discussion about Cisco be agendaize soon, noting that the city has not taken a formal stand.

Council Member Chang felt that Cisco is slowing down the project due to the economy.

City Manager Tewes stated that Cisco is looking at the economy slow down and is being cautious

Mayor Kennedy indicated that the City addressed its concerns as they relate to the Cisco EIR, disputing that 80 % of the employees would come from the north to work at Cisco.

Council Member Sellers stated that he was pleased that environmental groups allowed 8 lanes on 101

Mayor Kennedy indicated that there may be a possible problem with US101 at the state level
Assemblyman Salinas offered to contact Jessica Reynolds at the state level to follow up with this concern.

ADJOURNMENT

There being no further business, Mayor Kennedy adjourned the meeting at 1:00 p.m.

MINUTES RECORDED AND PREPARED BY:

Lisa Lewis, Office Assistant II